

4/18/19

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Chapter No. 93  
19/SS02/A181SG  
AR 1TB/LR

## *SENATE BILL NO. 3024*

Originated in Senate  Secretary

SENATE BILL NO. 3024

AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF THE MISSISSIPPI DEPARTMENT OF REVENUE, INCLUDING THE HOMESTEAD EXEMPTION DIVISION, THE MOTOR VEHICLE COMPTROLLER FUNCTIONS, THE ALCOHOLIC BEVERAGE CONTROL DIVISION, AND THE BUREAU OF TELECOMMUNICATIONS, FOR THE PURPOSE OF REIMBURSING THE COUNTIES, COUNTY DISTRICTS AND MUNICIPAL SEPARATE SCHOOL DISTRICTS FOR TAX LOSSES INCURRED BY REASON OF THE EXEMPTION OF HOMES FROM CERTAIN AD VALOREM TAXES, AND FOR THE PURPOSE OF PURCHASING MOTOR VEHICLE LICENSE TAGS FOR FISCAL YEAR 2020.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the purpose of defraying the expenses of the Mississippi Department of Revenue, including the Homestead Exemption Division, the Motor Vehicle Comptroller functions, the Alcoholic Beverage Control Division and the Bureau of Telecommunications, for the fiscal year beginning July 1, 2019, and ending June 30, 2020 ..... \$ 41,602,025.00.

**SECTION 2.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the special fund in the State Treasury to the credit of the Mississippi

Department of Revenue which are collected by or otherwise become available for the purpose of defraying the expenses of the department for the fiscal year beginning July 1, 2019, and ending June 30, 2020 ..... \$ 24,603,879.00.

**SECTION 3.** Of the funds appropriated under the provisions of Sections 1 and 2, not more than the following amounts set forth below shall be expended unless funds are transferred in accordance with Section 4 of this act:

**GENERAL ADMINISTRATION**

**FUNDING:**

General Funds .....	\$ 9,749,517.00
Special Funds .....	<u>15,983,936.00</u>
Total .....	..\$ 25,733,453.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 9,749,517.00

**AUTHORIZED POSITIONS:**

Permanent:	Full Time .....	170
	Part Time .....	0
Time-Limited:	Full Time .....	0
	Part Time .....	0

**TAX ADMINISTRATION**

**FUNDING:**

General Funds .....	\$	6,688,239.00
Special Funds .....		<u>1,182,765.00</u>
Total .....	..\$	7,871,004.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 6,688,239.00

AUTHORIZED POSITIONS:

Permanent:	Full Time .....	134
	Part Time .....	0
Time-Limited:	Full Time .....	0
	Part Time .....	0

AUDIT

FUNDING:

General Funds .....	\$	8,504,849.00
Special Funds .....		<u>1,155,028.00</u>
Total .....	..\$	9,659,877.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 8,504,849.00

AUTHORIZED POSITIONS:

Permanent:	Full Time .....	158
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	Part Time .....	0
Time-Limited:	Full Time .....	0
	Part Time .....	0

#### TAX ENFORCEMENT

##### FUNDING:

General Funds .....	\$	6,201,712.00
Special Funds .....		<u>851,801.00</u>
Total .....	..\$	7,053,513.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 6,201,712.00

##### AUTHORIZED POSITIONS:

Permanent:	Full Time .....	126
	Part Time .....	0
Time-Limited:	Full Time .....	0
	Part Time .....	0

#### PROPERTY & MOTOR VEHICLE SERVICES

##### FUNDING:

General Funds .....	\$	3,423,184.00
Special Funds .....		<u>967,820.00</u>
Total .....	..\$	4,391,004.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's

responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 3,423,184.00

AUTHORIZED POSITIONS:

Permanent:	Full Time .....	86
	Part Time .....	0
Time-Limited:	Full Time .....	0
	Part Time .....	0

ALCOHOL BEVERAGE CONTROL

FUNDING:

General Funds .....	\$ 7,034,524.00
Special Funds .....	<u>4,462,529.00</u>
Total .....	..\$ 11,497,053.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 7,034,524.00

AUTHORIZED POSITIONS:

Permanent:	Full Time .....	136
	Part Time .....	0
Time-Limited:	Full Time .....	0
	Part Time .....	0

With the funds herein appropriated, it shall be the agency's responsibility to make certain that funds required to be

appropriated for "Personal Services" for Fiscal Year 2021 do not exceed Fiscal Year 2020 funds appropriated for that purpose, unless programs or positions are added to the agency's Fiscal Year 2020 budget by the Mississippi Legislature. Based on data provided by the Legislative Budget Office, the State Personnel Board shall determine and publish the projected annual cost to fully fund all appropriated positions in compliance with the provisions of this act. It shall be the responsibility of the agency head to ensure that no single personnel action increases this projected annual cost and/or the Fiscal Year 2020 appropriations for "Personal Services" when annualized, with the exception of escalated funds and the award of benchmarks. If, at the time the agency takes any action to change "Personal Services," the State Personnel Board determines that the agency has taken an action which would cause the agency to exceed this projected annual cost or the Fiscal Year 2020 "Personal Services" appropriated level, when annualized, then only those actions which reduce the projected annual cost and/or the appropriation requirement will be processed by the State Personnel Board until such time as the requirements of this provision are met.

Funds are provided herein for all full-time employees to receive up to a Three Percent (3%) pay increase to the realignment component of the Variable Compensation Plan, excluding head of agencies, board members and commission members.

Any transfers or escalations shall be made in accordance with the terms, conditions and procedures established by law or allowable under the terms set forth within this act. The State Personnel Board shall not escalate positions without written approval from the Department of Finance and Administration. The Department of Finance and Administration shall not provide written approval to escalate any funds for salaries and/or positions without proof of availability of new or additional funds above the appropriated level.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds which are being used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

None of the funds herein appropriated shall be used in violation of Internal Revenue Service's Publication 15-A relating to the reporting of income paid to contract employees, as interpreted by the Office of the State Auditor.

**SECTION 4.** The Commissioner of the Department of Revenue shall have the authority to transfer from any funds appropriated herein from any program and salaries category, and if necessary their associated PINS, within the Department of Revenue to any other program of the Department of Revenue in an amount not to exceed twenty-five percent (25%) of the total amount of funds appropriated during Fiscal Year 2020.



**SECTION 5.** It shall be the duty of the Chairman of the Mississippi Department of Revenue, and he is hereby empowered to select in the manner provided by Section 27-3-13, Mississippi Code of 1972, such employees as may be necessary to the administration of all acts relating to the exemption of homesteads and the reimbursement of tax losses to the several taxing units of the state, and to assign them to the use of the Mississippi Department of Revenue.

**SECTION 6.** The money herein appropriated may be used for any expenses which the commission may legally incur. Provided, however, that no part of the money herein appropriated shall be used for the payment of attorney's fees, except upon recommendation of the Governor with the approval of the Attorney General, nor shall any of said funds be used either directly or indirectly for the purpose of paying any clerk, stenographer, assistant, deputy or other employee who may be related by blood or marriage within the third degree, computed by the rule of civil law, to the official employing or having the right of employment or selection thereof, except that when the relationship is by affinity and the person is dead through whom the relationship was established, this rule shall not apply. In the event of any such payment, then the official or person approving and making such payment shall be liable to return to the State of Mississippi and to pay into the State Treasury to the credit of the General Fund

three (3) times any such amount so paid to be recovered at suit by the Attorney General.

**SECTION 7.** In compliance with the "Mississippi Performance Budget and Strategic Planning Act of 1994," it is the intent of the Legislature that the funds provided herein shall be utilized in the most efficient and effective manner possible to achieve the intended mission of this agency. Based on the funding authorized, this agency shall make every effort to attain the targeted performance measures provided below:

	FY2020
<u>Performance Measures</u>	<u>Target</u>
General Administration	
Average Cost per Return Processed (\$)	5.09
ROI - Revenue Collected per Dollar of Expense	108.75
Tax Administration	
Cost per Unit of Work (Item/Case/Call) (\$)	13.21
Cost per Call Center Call Answered (\$)	3.02
Audit	
Cost per Audit (\$)	1,142.25
Production per audit	3,892.06
Tax Enforcement	
Cost per Dollar Collected in Recovery Actions (\$)	0.07
Property & Motor Vehicle Services	

Cost per Homestead Exemption Application (\$)	3.95
Cost per Title Issued (\$)	3.17
Alcohol Beverage Control	
Cost per Case Shipped (\$)	1.71
ROI - GF Dollars Returned per Dollar of Cost	15.00

A reporting of the degree to which the performance targets set above have been or are being achieved shall be provided in the agency's budget request submitted to the Joint Legislative Budget Committee for Fiscal Year 2021.

**SECTION 8.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, to the Mississippi Department of Revenue for the purpose of reimbursing the counties of the state, the road districts and school districts therein and the municipal separate school districts, for tax losses incurred by reason of the exemption of homes from certain ad valorem taxes under the provisions of Section 27-33-1 et seq., Mississippi Code of 1972, for the fiscal year beginning July 1, 2019, and ending June 30, 2020 ..... \$ 80,625,992.00.

**SECTION 9.** Each county, road district, school district and municipal separate school district which has incurred a tax loss that is reimbursable under Section 8 of this act shall be reimbursed a sum which is equivalent to the amount of tax loss produced by the application of tax rates annually fixed for maintenance and current expenses to the assessed value of homes,

or so much thereof as has been lawfully authorized under the provisions of Section 27-33-1 et seq., Mississippi Code of 1972.

The disbursements from the funds appropriated under the provisions of Section 8 shall be based upon the certificates required of the clerks of the county boards of supervisors and of the clerks of the municipalities, which certificates shall conform strictly in every respect to the requirements of the provisions of Section 27-33-1 et seq., Mississippi Code of 1972.

All disbursements from the funds appropriated under the provisions of Section 8 of this act shall be made strictly in accordance with the provisions of Section 27-33-1 et seq., Mississippi Code of 1972, and no disbursements other than those clearly authorized by those sections shall be made, the provisions of any other law to the contrary notwithstanding.

**SECTION 10.** None of the funds appropriated under the provisions of Section 8 of this act may be distributed to any county, municipality, school district or other taxing district in which the assessed valuation of the taxing district has increased as a result of reappraisal of the property of the taxing district unless the governing board of the taxing district has published a notice in a newspaper having a general circulation in the taxing district, stating the lower millage rate that would produce the same amount of revenue from ad valorem taxation on property of the taxing district that was produced in the fiscal year before the property of the taxing district was reappraised.

SECTION 11. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the purchase and delivery of motor vehicle license tags for the fiscal year beginning July 1, 2019, and ending June 30, 2020 ..... \$ 3,247,190.00.

SECTION 12. In addition to all other sums herein appropriated, the following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State Treasury to the credit of the Capital Expense Fund, as created in Section 27-103-303, Mississippi Code of 1972, and allocated in a manner as determined by the Treasurer's Office, for the purchase and delivery of motor vehicle license tags for the fiscal year beginning July 1, 2019, and ending June 30, 2020..... \$ 330,770.00.

SECTION 13. Of the funds appropriated under the provisions of Section 2, One Million Dollars (\$1,000,000.00), or so much thereof, shall be derived out of any money in the State Treasury to the credit of the Capital Expense Fund, as created in Section 27-103-303, Mississippi Code of 1972, and allocated in a manner as determined by the Treasurer's Office. These funds are provided for the purchase of tax return equipment and agency operations.

SECTION 14. Of the funds appropriated under the provisions of Section 2, Two Million Dollars (\$2,000,000.00), or so much thereof, shall be derived out of any money in the State Treasury

to the credit of the Motor Vehicle Ad Valorem Reduction Fund (3376900000), as created in Section 27-51-105, Mississippi Code of 1972, and allocated in a manner as determined by the Treasurer's Office.

**SECTION 15.** Of the funds appropriated in Section 2, an amount less than Four Million Dollars (\$4,000,000.00) may be used for the purpose of purchasing additional warehouse space for the Department of Revenue warehousing needs.

**SECTION 16.** It is the intention of the Legislature that whenever two (2) or more bids are received by this agency for the purchase of commodities or equipment, and whenever all things stated in such received bids are equal with respect to price, quality and service, the Mississippi Industries for the Blind shall be given preference. A similar preference shall be given to the Mississippi Industries for the Blind whenever purchases are made without competitive bids.

**SECTION 17.** None of the funds appropriated under the provisions of Sections 1 and 2 of this act shall be expended unless an advisory committee continues to coordinate, in an advisory capacity only, with the Department of Revenue in the determination of the collection of statistical data and information related to economic and tax policy. This advisory committee shall consist of the following members or their designees: the Director of the Legislative Budget Office, the Director of the Joint Legislative PEER Committee, the State

Economist, the President of the Mississippi Economic Council and the Director of the Mississippi Economic Policy Center.

**SECTION 18.** It is the intention of the Legislature that the Mississippi Department of Revenue shall maintain complete accounting and personnel records related to the expenditure of all funds appropriated under this act and that such records shall be in the same format and level of detail as maintained for Fiscal Year 2019. It is further the intention of the Legislature that the agency's budget request for Fiscal Year 2021 shall be submitted to the Joint Legislative Budget Committee in a format and level of detail comparable to the format and level of detail provided during the Fiscal Year 2020 budget request process.

**SECTION 19.** None of the funds appropriated in Sections 11 and 12 of this act shall be expended to purchase motor vehicle license tags made or manufactured by any department, agency or instrumentality of a state other than the State of Mississippi. None of the funds appropriated in this section shall be used for the purchase of bolts, nuts or other fastening devices for attaching said motor vehicle license tags. Provided further, that all motor vehicles belonging to any state department, agency, commission, institution or any other division of state government shall have license tags which shall bear the words "State Property" at the bottom of such license tags.

**SECTION 20.** Of the funds appropriated in this act, it is the intention of the Legislature that up to Eight Hundred Eleven

Thousand Seven Hundred Forty Dollars (\$811,740.00) shall be allocated as follows: to the Municipal Court Collections Program Four Hundred Five Thousand Eight Hundred Seventy Dollars (\$405,870.00) and to the Justice Court Collections Program Four Hundred Five Thousand Eight Hundred Seventy Dollars (\$405,870.00) to be supported from General Fund court assessments.

**SECTION 21.** It is the intention of the Legislature that the funds herein appropriated shall be expended in compliance with Section 27-104-25, Mississippi Code of 1972, that no state agency shall incur obligations or indebtedness in excess of their appropriation and that the responsible officers, either personally or upon their official bonds, shall be held responsible for actions contrary to this provision.

**SECTION 22.** The money herein appropriated shall be paid by the State Treasurer out of any money in the State Treasury to the credit of the proper fund or funds as set forth in this act, upon warrants issued by the State Fiscal Officer; and the Fiscal Officer shall issue his warrants upon requisitions signed by the proper person, officer or officers, in the manner provided by law.



SECTION 23. This act shall take effect and be in force from  
and after July 1, 2019.

PASSED BY THE SENATE  
March 28, 2019

  
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PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 28, 2019

  
\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

  
\_\_\_\_\_  
GOVERNOR

4/18/19

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